

Here's how Form 4684 applies the 10% rule to Leon's casualty and theft losses:

Loss after applying \$100 rule	\$5,200
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Minus 10% of Leon's AGI (\$30,000)	- \$3,000
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Casualty and theft loss deduction	\$2,200
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Caution: Use only one Form 4684 for lines 13 through 21.

- 13** Add the amounts on line 12 of all Forms 4684
- 14** Add the amounts on line 4 of all Forms 4684
- 15**
 - If line 14 is **more** than line 13, enter the difference here and on Schedule D. **Do not** complete the rest of this section (see instructions).
 - If line 14 is **less** than line 13, enter -0- here and go to line 16.
 - If line 14 is **equal** to line 13, enter -0- here. **Do not** complete the rest of this section.
- 16** If line 14 is **less** than line 13, enter the difference
- 17** Add the amounts on line 12 of all Forms 4684 on which you entered -0- on line 11.
- 18** Is line 17 less than line 16?
☐ **No.** Stop. Enter the amount from line 16 on Schedule A (Form 1040), line 19. Estates and trusts, enter the amount from line 16 on the "Other deductions" line of your tax return.
☐ **Yes.** Subtract line 17 from line 16.
- 19** Enter 10% of your adjusted gross income from Form 1040, line 38. Estates and trusts, see instructions . . .
- 20** Subtract line 19 from line 18. If zero or less, enter -0-
- 21** Add lines 17 and 20. Also enter the result on Schedule A (Form 1040), line 19. Estates and trusts, enter the result on the "Other deductions" line of your tax return

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